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# STRATEGIC PLANNING INITIATIVE

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## STRATEGIC PLANNING

- OSC has been faced with major challenges
- Organic base aging, oversized, costly
- Commercial base shrinking
- Future is Smart Munitions
- When is the future? And how many?
- Is an organic base required?

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## AUGUST 1999

- OSC planning meeting
- PEO and ARDEC representatives
- Other services
- Industry: Aerojet, Alliant, Day & Zimmerman, General Dynamics, Marconi, Mason & Hangar, GD-OTS, Thiokol, NCAT, NDIA

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## FOCUS

- Solicit Industry's ideas on:
  - How to right-size the organic base and reduce the cost of munitions
  - Modernize the base that is retained

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## AUG 99 CONCLUSIONS

- Organic base is needed to support critical processes, esp. replenishment
- Organic base needed for smart munitions i.e. explosives plus conventional ammo
- Improvements:
  - Long term contracts
  - True partnering

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## CONCLUSIONS

- Improvements
  - Eliminate Bureaucratic practices
  - Make tough decisions on under-utilized facilities
  - Seriously consider mega-site concept
  - Allow best commercial practices
- Contractors will not invest for replenishment

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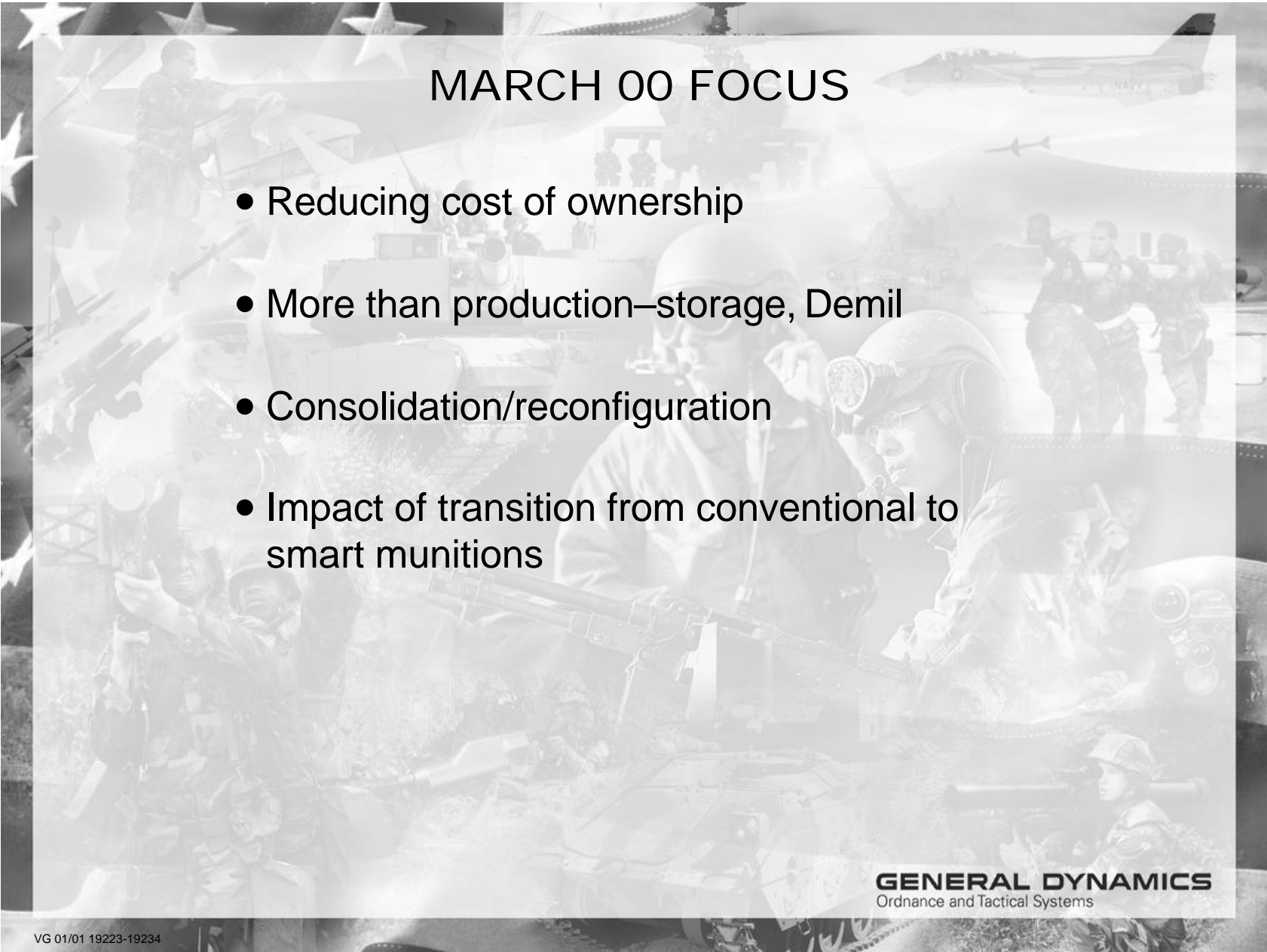


## WHAT OCCURRED BETWEEN AUG 99 AND MAR 00

- Ammo base 2025 assessment–master plan for right -sizing the organic base
- PBD 407
- Ammo FAA
- IOC becomes OSC
- Army vision
- Arsenal Act revitalized
- Summit discussions

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## MARCH 00 FOCUS

- Reducing cost of ownership
- More than production—storage, Demil
- Consolidation/reconfiguration
- Impact of transition from conventional to smart munitions

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## RECOMMENDATIONS

- Define requirements
- Group plants for total package proposals
  - MPTS–SCAAP, RBAAP, LAAP, MSAAP
  - LAP–MLAAP, IAAP, LSAAP, KSAAP
- Lengthen contracts–15-20 years

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## RECOMMENDATIONS - 2

- Lease plants with options to buy
- Crane and McAllister should be privatized
- Facility and production contractor should be one and the same

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## PROCESS ACCELERATION

- Contractors dispose of excess inventory and equipment
- Use BRAC for excessing process
- Environmental responsibility remains with government

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## ★ MILESTONE PLAN FOR BASE 2025 PROCESS

- Coordinate and communicate approach in AMC, DA, OSD and Congress March 01
- Define short and long term requirements March 01
- Release solicitations Sep 01
- Award contracts 2003
- Implement consolidation plan 2003-2008
- Reap Reward 2008-2025

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